measures to target IRBs to smaller firms would probably be the most consistent with the intent of the Congress in 1968.[4]

The main argument for limiting IRBs to smaller firms is that they may have greater difficulty in raising capital on favorable terms. Unless the bonds are guaranteed by a state agency, however, no bank will purchase small issues for non-creditworthy firms. The effect of targeting small issues, then, would not be to make credit available to firms that would otherwise not qualify for it, but to reallocate capital from larger to smaller firms. The justification for doing so might be to encourage more competition. Recent evidence suggests that small firms might generate more new jobs. Large firms, however, tend to generate higher-paying and longer-term jobs. If employment were the criterion, it would be hard to justify policies that assist either small or large firms.

Target IRBs to Distressed Areas

The Congress could restrict the use of industrial development bonds to physically blighted or economically distressed areas. The criteria for determining whether or not an area is distressed could be based on state or local guidelines, or, since UDAG funds are often used in conjunction with IRBs, the criteria could be the same for both programs.

At present, small issues have little if any effect on investment location decisions because the bonds are almost universally available (see Chapter IV). If they were available only in distressed areas, they might stimulate some additional investment in areas that most need it, but probably only if used in combination with other local, state and federal programs. The significance of tax-exempt financing alone in influencing firm location decisions would probably be minimal. If, however, the Congress felt that providing jobs was a necessary but insufficient test of public purpose, it might want to restrict IRBs to areas where unemployment was higher, per capita income lower and physical deterioration more prevalent than average.

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4. Limits of this sort would be ineffective unless current laws prohibiting large corporations from splitting up into several smaller related firms so that they can benefit from the tax advantages available to small businesses applied to the use of IRBs. (Sections 1561-1564 of the Tax Code.)

Approximately 51 percent of large cities and urban counties and 48 percent of small cities qualify for UDAG funds. These areas account for roughly one-third of the country's population. At present, the criteria for physical need are based on growth in per capita income from 1969 to 1974, the unemployment rate in 1977, employment growth from 1967 to 1972, the percentage of the housing stock constructed before 1940, the percentage of the population at or below the proverty level, and population growth from 1960 to 1975.

In the first quarter of 1980, when interest rates skyrocketed, between 80 and 85 percent of the applications for UDAG funds also called for IRB financing. According to HUD officials, many of these projects could not have gone forward without the benefit of tax-exempt financing.

The argument against targeting IRBs to blighted or distressed areas is that at the federal level the criteria for defining them are difficult to specify and often generate time-consuming and unproductive debate.

Eliminate IRBs for Commercial Projects

The Congress may wish to follow the lead of the states and localities that prohibit the use of small issue IRBs for commercial projects. Although their views are not unanimous, most state development officials share the belief that small issues stimulate manufacturing investment, particularly by small and medium-sized firms. The usefulness of small issues for commercial services or retail stores is more controversial. Some officials feel that such establishments follow the market and need not be subsidized; others argue that small issues are often determining factors in these investments, and any project that provides jobs serves a public purpose. In the few states that actually do target the bonds, officials believe that IRBs are important in stimulating development in distressed areas.

If the Congress were to prohibit the use of small issues for commercial projects, the overall volume of bonds would probably diminish. At the same time, investment in commercial projects would decrease wherever the market for them is not sufficiently strong to make them profitable at prevailing interest rates. This could mean that some investment in shopping centers, office buildings, and retail stores would be postponed until interest rates declined or markets improved. In some cases, it would mean that the jobs created by these investments would come later rather than sooner. In other instances, such as the use of small issues for doctors' and dentists' offices, the effects on employment would probably be negligible.

Eliminating small issues for commercial projects would limit the use of these interest subsidies in combination with some UDAG projects. It would also have adverse effects on state and local programs that target small issues to distressed areas. To the extent that targeting is meaningful, it generally results in the use of small issues for a small number of strategically located commercial enterprises. For example, in Massachusetts, where small issues are restricted to designated revitalization districts, only about 10 percent of all small issues are for commercial projects. This contrasts with Pennsylvania, where, with no targeting, approximately 60 percent of all issues go to commercial projects.

The major federal programs that provide assistance to business do not distinguish between commercial and industrial projects. These programs include UDAG, EDA, SBA and FmHA loans, grants and guarantees. All of these programs, however, target assistance either to smaller businesses or to distressed areas. It is difficult to argue that commercial projects per se serve less of a public purpose than industrial projects; however, they have aroused more controversy at the state and local level.

Rather than prohibit tax-exempt financing for commercial projects entirely, the Congress might wish to impose limits on them. One alternative would be to target them to distressed areas. Because national criteria for distressed areas are difficult to define, however, the job might best be left to the states. In that case, the Congress might simply limit the use of small issues for real estate development, office buildings, shopping centers, retail stores, private recreational facilities, and other commercial projects to no more than, say, 10 percent of the total issues of any state. The states could then decide upon the criteria for targeting the subsidies. This option would, of course, require state governments to report fully on their IRB issues.

Set a Limit on State IRB Sales

An alternative to establishing federal eligibility criteria would be to permit the states to impose their own eligibility requirements. In order to permit the states to target the use of

IRBs as they see fit, the Congress might simply impose a per capita limit on IRB sales. At present, small issue IRB sales per capita range from $4 in Illinois to $139 in Pennsylvania. (These data exclude the states from which information on IRB sales is lacking or incomplete.) If the Congress were to impose a limit of, say, $50 per capita in each state, IRB financing would have to be used more selectively. In addition, state agencies would have to keep tabs on IRB financing activity. The limit could be adjusted periodically to reflect changes in the cost of living.

Several states currently exceed a per capita limit of $50 (see Appendix G). These states might be required to cut back activities sharply, or they might be allowed to continue financing at current nominal levels but without any adjustments for inflation. In time, adjustments in the per capita limits to reflect inflation would bring these states into line with the others. The states that do not have reliable information on previous sales would simply be subject to a $50 limit. Full reporting requirements would obviously have to accompany such a limit.

Limit Tax Exemption to General Obligation Bonds

Another way that the Congress could leave the definition of public purpose and the criteria for using IRBs to the states would be to remove all current restrictions and replace them with legislation that grants tax exemption to all bonds that are backed by the full faith and credit of state or local government. Local agencies could still issue revenue bonds, which, by definition, are backed either by the general revenues of all of their facilities or by specific project revenues. In the case of default, however, the state or locality would stand behind the bonds.

In many states, constitutional provisions prohibit the state or its political subdivisions from making gifts or loans to private entities. As a result, these states are unable to float general obligation bonds to finance the activities of individuals or corporations. An alternative, which would be acceptable in some states, would be for the state to provide full insurance or guarantees to protect bondholders against loss. In either case, the effect would be the same. Bonds that carried the liability of state or local government would be tax-exempt; the remainder would be subject to taxation, and the federal government would in no way interfere with local decisions on the public purpose of the bonds. Moreover, it would normally be unnecessary to use general tax revenues to finance facilities that could be funded with revenue bonds; it would merely be necessary for the state to pledge that, if revenues were inadequate, general funds or state insurance would pay for the bonds.

Many states, if not most, would object to this proposal for a variety of reasons. First, in some instances constitutional amendments would be necessary to put it into effect. In other cases, bond issues would be subject to referenda, because some states cannot issue general obligation bonds without specific voter approval. In some states, the legislatures would have to appropriate funds for insurance or guarantee programs, which would subject revenue bond programs to budgetary review. All of these possibilities would make the use of IRBs less routine and more difficult than is currently the case. These objections, however, might also put the use of industrial revenue bonds into proper perspective. If the public purpose of a bond is unclear, or insufficient to merit the use of state resources, then perhaps the project warrants no commitment of federal resources.

Require Federal, State or Local Matching Funds

The Congress might wish to consider eliminating all small issues except those that also have commitments of federal, state, or local resources. When states must pledge their funds to assist industry, project eligibility criteria are often more exacting. For example, the Ohio Development Financing Commission will issue revenue bonds "for up to 100 percent of the cost of industrial, commercial, distribution and research projects." The commission also provides direct loans and guarantees, which can be combined with small issues. The guaranty and direct loan programs, however, are limited to firms involved in manufacturing, distribution, research, or development. Commercial projects are excluded, and the direct loan program is particularly targeted to firms considered to be "on the edge of technological or product development."[5]

If the Congress were to limit tax exemption to projects that also had commitments of federal or state funds, or were exempt from state or local sales and property taxes, it would be eliminating many tax-exempt financings. At the same time, though, it would be encouraging states to commit their resources to the projects that

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5. Ohio Development Financing Commission, Annual Report, 1979, pp. 7-8.

they considered most beneficial. It would also be promoting the targeting of scarce federal resources to the projects and areas that most need aid. The result would be better planning and less random use of limited federal, state, and local resources.

ELIMINATE SMALL ISSUES

The Congress could simply prohibit the use of all small issue IRBs. The justifications for doing so are that small issues primarily reallocate capital without generating much new investment; target and volume limits are too hard to agree upon and to administer; and the public purpose of small issues is too remote. Although small issues help some businesses that have difficulty raising funds in private capital markets, it is difficult to draft legislation that would limit assistance to the firms that most need it. Moreover, attempts to do so might result in administratively cumbersome programs.

If small issues were banned and no other program funds were substituted for them, some investments would not go forward. Some others might move ahead, but the amount and timing of investment would be different. The primary effect of a ban would probably be on the allocation of capital, rather than on the overall level of investment. Since small issues make more capital available to small and medium-sized firms and to companies that are extremely sensitive to interest rates, it follows that these would be most affected by the elimination of tax exemption.

State programs to help smaller and riskier businesses would also suffer from a ban on IRBs. Specifically, if a state floats general obligation IRBs, provides funding under umbrella loan programs, or guarantees, or insures IRBs, it would have to discontinue or modify its activities.

When interest costs are a large component of the total fixed costs of a project, investment decisions are more likely to be affected by the cost of capital. Although much depends on overall interest rate levels and the spread between tax-exempt and taxable rates, eliminating IRBs would probably affect some investments in real estate, particularly in shopping center development and office building construction. These have been among the more controversial IRB uses.

Investment in distressed urban areas might also take a downturn with the elimination of tax exemption for IRBs. The higher capital expenditure limits that apply to projects with UDAG funding could now be diverting some investment into distressed areas that would otherwise take place elsewhere. State programs that limit tax-exempt financing for commercial development to designated distressed areas might be having similar effects. The use of lower-interest IRBs in distressed areas may help overcome other disadvantages, such as higher site clearance costs. Unless other programs were substituted, some UDAG projects might not go forward, and investments in blighted areas could decrease.

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APPENDIXES

APPENDIX A: SMALL ISSUE IRB SALES, 1975 to 1980 (In Millions of Dollars)[a]

State[b]	1975	1976	1977	1978	1979	1980
Alabama	94.9	85.3	108.8	98.6	223.8	247.6
Alaska	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	5.1	18.4	14.9	28.9	61.6	105.4
Arkansas	51.1	41.1	61.8	66.2	153.2	98.3
California	0.0	0.0	0.0	0.0	0.0	0.0
Colorado	17.6	9.7	13.0	12.3	26.0	40.3
Connecticut	20.5	16.3	16.2	11.9	113.5	96.5
Delaware	13.6	6.7	4.9	11.3	24.4	37.4
Florida	NA	NA	8.7	7.1	132.3	124.8
Georgia	19.2	22.4[e]	94.5[e]	69.2[e]	138.4[e]	156.9[e]
Illinois	21.2	42.5	27.0	33.3	73.8	65.7[c]
Indiana	53.5	41.6	51.5	183.4	286.6	386.1
Iowa	32.7	31.1	38.2	57.7	79.0	131.3
Kansas	61.6	80.3	104.7	83.7	142.9	106.8[c]
Kentucky	21.5	14.7	27.1	38.8	91.4	77.0[c]
Louisiana	12.6	15.3	12.4	18.6	26.4	30.9[d]
Maine	7.8	0.0	4.3	7.0	9.1	36.8
Maryland	3.3	6.7	4.1	26.3	117.2	137.2[d]
Massachusetts	7.8	13.6	17.5	51.0	193.3	369.2
Michigan	25.9[e]	8.0[e]	20.0[e]	29.0[e]	167.4	159.2[e]
Minnesota	69.1	45.1	123.3	167.1	399.9	415.0
Mississippi	NA	23.8	74.8	141.9	210.3	246.1[d]
Missouri	8.5	19.3	29.9	33.9	NA	NA
Montana	10.5	7.1	3.3	9.5	18.4	21.6[d]
Nebraska	13.8	19.5	18.3	21.0	52.8	29.7
Nevada	NA	NA	NA	NA	NA	NA
New Hampshire	5.9	7.8	11.6	16.5	24.9	54.4
New Jersey	43.9	84.6	154.0	264.2	569.5	578.0
New Mexico	2.7[e]	3.2	3.4	13.4	6.3	7.4[d]
New York	25.5	38.3	44.9	96.7	221.3	382.8
North Carolina	0.0	2.5	10.0	50.7	151.9	200.0
North Dakota	7.3	12.8	5.9	22.5	29.8	38.8

(Continued)

APPENDIX A. (Continued)

State[b]	1975	1976	1977	1978	1979	1980
Ohio	94.2	101.0	137.2	272.7	705.7	805.4
Oklahoma	16.7	24.0	21.3	20.5	68.5	48.9
Oregon	0.0	3.0	5.0	9.5	37.0	31.0
Pennsylvania	304.0	386.7	574.1	1,019.0	1,597.6	1,639.1
Rhode Island	7.8	6.9	6.0	10.8	44.3	63.1
South Carolina	18.1	30.2	47.1	55.8	185.3	199.2
South Dakota	6.7	7.6	22.9	23.3	14.6	17.1[d]
Tennessee	48.5	55.1	56.1	61.8	155.0	244.5
Texas	0.0	0.0	0.0	0.0	0.0	281.8
Utah	17.0	24.8	24.9	12.0	95.7	55.2
Vermont	4.3	7.3	7.4	5.9	14.2	23.9
Virginia	30.9	55.0	61.5	88.3	256.5	380.7
West Virginia	25.4	18.4	14.6	22.0	29.5	34.6[d]
Wisconsin	49.6	37.1	74.0	67.0	106.1	195.2
Wyoming	1.0	0.0	8.2	10.4	14.7	37.2
Total Estimated Issues	1,281.3	1,474.8	2,169.3	3,350.7	7,070.1	8,438.1

a. Unless otherwise indicated, data are for closings.

b. Notes on the sources of information for each state follow in Appendix B. Hawaii, Idaho, Washington, and the District of Columbia do not use small issues.

c. CBO projection, based on data for the first six months of 1980.

d. As of September 1, 1981, CBO had complete data on small issue sales in 1979 and 1980 for the following states: Alabama, Arizona, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Maine, Massachusetts, Minnesota, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Wisconsin, and Wyoming. Based on the comparison on these states' sales in 1979 and 1980, CBO has projected 1980 sales in the states for which no other data were available.

e. CBO estimate. See notes in Appendix B.

APPENDIX B. SOURCES OF INFORMATION ON SMALL ISSUE IRBS

CBO's data on IRB issues come primarily from lists, documents, and published reports submitted by state and local agencies. These are indicated on the following pages on a state-by-state basis. Some reports and lists included not only small issues, but also bonds for pollution control, housing, hospitals, mass transportation, and public recreational facilities. These were excluded from the CBO data; however, small issue IRBs used for proprietary hospitals and for private medical and dental offices were included in CBO's estimates of total sales. For the years 1976 to 1978, CBO compared state lists with PSA data. In some instances, where state officials had indicated their data might be incomplete, the PSA lists contained some few issues not included in state or local submissions. These issues are reflected in the CBO data for some states. Where little or no state data were available, CBO used PSA data, as indicated.

In reporting on small issue IRBs, CBO's objective was to obtain data on completed transactions. Several states provided information on actual sales. Others could only supply lists of bonds that the state had approved for issuance. In these cases, the proportion of actual closings depended on the nature of the state's approval process. A few states, such as Connecticut, publish reports listing only preliminary approvals of proposed bond issuances. These initial eligibility determinations are often made before the applicant firms have obtained financing commitments. Consequently, only about half, and sometimes less, of the proposed issuances close. In these cases, CBO ascertained actual closings by checking further with state and local officials. Fortunately, most states either keep track of closings or approve issues only after assuring that financing is likely. In these cases, 90 percent or more of the issues approved actually close. Whenever CBO ascertained that the discrepancy between approvals and closings might be greater than 10 percent, it has so noted.

APPENDIX B. SOURCES OF INFORMATION, BY STATE

State	Source of Information
Alabama	Data for 1975 to 1977 come from the Alabama Industrial Securities Advisory Council. Data for 1978 to 1980 come from the Alabama Securities Commission, Montgomery. They are based on notifications filed with the commission, and in the case of private placements (approximately 80 percent of all issues), they are usually accompanied by financial institutions' letters of intent to purchase the bonds. Commission staff estimate that nearly all of the issues filed eventually close. IRBs issued under eight "authorizing acts" are covered by the notification procedure. There is no way to determine how many small issue IRBs have been issued under an additional 20 or so statutues and another 25 or so constitutional amendments.
Alaska	The statute permitting local authorities to issue bonds was passed in 1980. CBO has no records of small issues before 1981.
Arizona	The Arizona Office of Economic Planning and Development provided a draft copy of a report on industrial development financing within the state. The report contained a list of IDA bond issues submitted to the Attorney General's Office. Because the list contained some issues for which the dollar amounts could not be ascertained, the figures in Appendix A underestimate the total volume for Arizona.
Arkansas	Data come from the Arkansas Department of Economic Development.
California	California legislation permitting local issuance of small issue IRBs became effective on October 1, 1980. Records of sales, if any, are not available for the period before January 1, 1981.

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State	Source of Information
Colorado	Data come from the Colorado Division of Commerce and Development and from PSA (for 1976 to 1979 only). Issues are underestimated, since the state has no reporting requirement.
Connecticut	Data come from the lists of bond issue closings provided by the Connecticut Development Authority. The lists of bond issues published in the CDA annual reports represent preliminary approvals. Since many of these have no financing commitments, they do not close and therefore are not reflected in the CBO data.
Delaware	Data come from the Delaware Division of Economic Development, the New Castle County Department of Finance and the City of Wilmington Department of Commerce. They include both small issue IRBs and IDBs (which carry the full faith and credit of the state).
Florida	The only available data for years prior to 1979 come from PSA computer tapes. While sales were undoubtedly greater, evidence suggests that small issue IRBs were used relatively infrequently prior to 1979. Data for 1979 are CBO estimates based on information submitted by industrial development boards in Broward, Dade, Hillsborough, Manatee, and Pinellas counties. These are only a few of the counties with the authority to issue bonds, but they are among the most active. Florida instituted a reporting requirement in 1980.
Georgia	Data are CBO estimates based on PSA reports and lists submitted from Fulton, Cobb, and Clarke counties and the City of Columbus. CBO's estimates are more than likely understated. For the years 1976 to 1978, they are about double the PSA listings of small issues for the state. Georgia has

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APPENDIX B. (Continued)

State	Source of Information
Georgia (continued)	had an active IRB program since the 1950s. Some 126 local IDAs issue IRBs, not to mention cities and counties. The PSA lists exclude some of the more important issuers, such as the Fulton County IDA, which includes Atlanta.
Illinois	Data are from both the Chicago Economic Development Commission and the Illinois Department of Commerce and Community Affairs, which collects its information primarily from bond counselors. The state has no official reporting requirement and small issue sales are therefore underestimated. Data for Chicago are complete for all years. For other localities, sales for 1980 are projected, based on the first six months of the year.
Indiana	Data are from the Indiana Department of Commerce.
Iowa	Data are from the Iowa Development Commission.
Kansas	The Kansas Legislative Research Department provided the results of a statewide survey conducted at the direction of the Special Committee on Assessment and Taxation. The survey obtained data on the sale of IRBs in Kansas from 1961 through mid-1980.
Kentucky	Data are from the Commonwealth of Kentucky, Department for Local Government, "Kentucky Local Debt Report." Sales for 1980 are projected from closings during the first six months.
Louisiana	Data are from the Louisiana Office of Commerce and Industry, Baton Rouge.
Maine	Data are from the Maine Guaranty Authority, Augusta.

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State	Source of Information
Maryland	Data for 1979 are based on reports submitted by the Maryland Industrial Financing Authority, the Baltimore (City) Economic Development Corporation, and the following counties: Baltimore, Washington, Frederick, and Kent. The estimate understates total small issue financing. Data for earlier years are based solely on MIDFA reports, which are for fiscal years. Thus, information for 1979 is not comparable with that for earlier years.
Massachusetts	Data for 1979 and 1980 are based on reports submitted by the Massachusetts Industrial Finance Agency. For earlier years, they are based on reports prepared by Associated Industries of Massachusetts, Boston.
Michigan	According to the Governor's office, IRB financing in 1979 amounted to $167.4 million. For other years, data are based partly on reports of the Michigan Municipal Finance Commission and the Michigan Job Development Authority. In addition, some 200 local economic development commissions (EDCs) issue bonds. A survey conducted by the Michigan Department of Commerce indicated that between December 1974 and September 1980, local EDCs issued $309.8 million in IRBs. Since complete annual data on sales were available only for 1979, CBO estimated EDC bond issues for all other years.
Minnesota	The Minnesota Department of Economic Development provided lists of bonds approved within the state. The Minnesota Office of the State Auditor provided a study of industrial revenue bonds which found that historically in Minnesota approximately 67 percent of all approved issues actually close. The figures that appear in Appendix A are 67 percent of

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APPENDIX B. (Continued)

State	Source of Information
Minnesota (continued)	the total of approvals, coupled with issues of the St. Paul Port Authority that do not appear on the state's list. (IRBs issued under the Port Authority Law do not require state approval.)
Mississippi	The data were provided by the Mississippi Agricultural and Industrial Board.
Missouri	The data were obtained from the Missouri Division of Commerce and Industrial Development. In 1978, the Missouri statutes were revised to authorize local industrial development authorities to issue bonds without state approval. No information is available on these types of issues; therefore, there is no basis on which to estimate sales volume for 1979 and 1980. The Missouri law was again amended in 1980 to allow IRB financing of commercial projects.
Montana	The Montana Office of Commerce provided a list compiled by the Montana Department of Community Affairs. Officials in both of these departments believe the list to be neither complete nor up-to-date. Therefore, it most probably underestimates total bond sales in Montana.
Nebraska	The data were provided by the Nebraska Department of Economic Development. They represent all bonds issued within the state as registered with the State Auditors. Due to the time lag between the closing of a bond issue and the registration of that issue, the data for 1980 include all issues registered through June 1980 but none since then. Therefore, the 1980 volume is a CBO projection based on actual data for the first six months of the year.

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APPENDIX B. (Continued)

State	Source of Information
Nevada	No information at all on IRB sales in Nevada is available. CBO has no basis on which to make an estimate.
New Hampshire	The New Hampshire Industrial Development Authority provided data on industrial revenue bonds sold within the state.
New Jersey	The data were obtained from the annual reports of the New Jersey Economic Development Authority.
New Mexico	The New Mexico State Board of Finance provided a list of IRBs issued within the state. The data may be incomplete; therefore the figures in Appendix A may underestimate total sales. Because data were lacking for 1975, CBO estimated sales for that year based on activity in other states.
New York	The data on New York were obtained from the State Department of Commerce. In addition to supplying data on local activity within their jurisdictions, the New York City Industrial Development Agency and the Erie County Industrial Development Agency provided extremely useful supplementary information.
North Carolina	Data were obtained from the State and Local Government Finance Division of the Department of the State Treasurer.
North Dakota	The data were obtained from the North Dakota Business and Industrial Development Department.
Ohio	The Ohio Development Financing Commission provided its Annual Reports for the years 1979 and 1980 and listings of bond issues for all years up to and including 1979. For the years 1975 to 1979, the

(Continued)

APPENDIX B. (Continued)

State	Source of Information
Ohio (continued)	CBO totals exclude projects, such as railroad and dock facilities, that were not financed under the small issues exemption. Since CBO did not have a complete list of projects undertaken in 1980, the total for the year may include some IRBs that were not small issues.
Oklahoma	Data for 1975 to 1978 were taken from lists submitted by the Department of Industrial Development. The lists may or may not be complete. Information for 1979 and 1980 came from the same source; however, since it is based on statements of final offerings filed with the Secretary of State, it is more likely to be complete.
Oregon	The Oregon Department of Economic Development and officials at the Port of Portland supplied data for the years 1975-1979. Activity of other port authorities are not represented in the numbers in Appendix A. Data on 1980 were available on the Port of Portland only. While the Port of Portland is probably the largest issuing body within the state, other local authorities can and do issue bonds. Their activity is not reflected in the 1980 numbers; therefore the figures shown in Appendix A underestimate total activity.
Pennsylvania	Data were taken from annual and semi-annual volumes of Summary of Loans as published and provided by the Pennsylvania Department of Commerce.
Rhode Island	The Rhode Island Port Authority and Economic Development Corporation furnished all data.

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